Start Smart Initiative
Application Process
2015

Division of Business and Community Services
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Webinar Agenda

- Start Smart Initiative
  - Purpose
  - Funding Opportunities
- Review of the Programs
  - Application Process
  - Application Requirements
  - Attachments
- Deadline

Initiative Information

- Website – www.ded.mo.gov
- Click on Program Incentives
- Click on Start Smart Initiative
  - Summary Description of the Program
  - Program Documents and Forms
  - Related Links
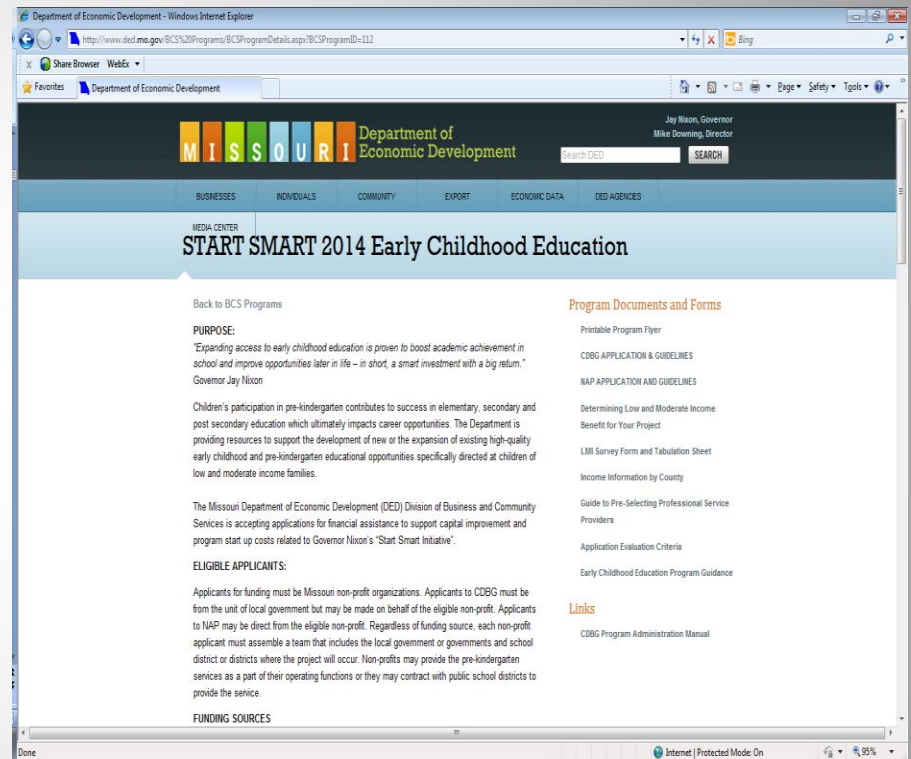
Initiative Purpose

"Expanding access to early childhood education is proven to boost academic achievement in school and improve opportunities later in life – in short, a smart investment with a big return." Governor Jay Nixon

- Education and Economic Development
  - Relationship between early childhood education and success in school
  - Relationship between success in school and success in career
  - Relationship between skilled workforce and business development (attraction and expansion)

Initiative Funding Opportunities

- $7 million dollars in a combination of grants and contribution tax credits
  - State Community Development Block Grant Program (CDBG) and
  - Neighborhood Assistance Program (NAP)
- Capital Improvements
- Start – up Costs

Application Process

- Determine which program is appropriate.

- Complete and Submit the appropriate application.

- Due in offices of DED no later than 5:00 p.m. June 15, 2015.

Determining Appropriate Program

CDBG

- Capital improvements only
- Non-entitlement areas only
- Local Government must be applicant (on behalf of non-profit)
- Low to Moderate Income Requirement

NAP

- Capital improvements and one-time start up costs.
- Statewide
- Nonprofit must be applicant
- Low to Moderate Income Requirement

MISSOURI
Department of Economic Development

Community Development Block Grant

- Maximum grant limit $1 million
- Unit of local government must apply on behalf of eligible non-profit
- Requires contractual relationship between unit of local government and non-profit
- May be used for capital costs only (no start up)
- Limited to "non-entitlement" areas of the state only
- Requires environmental review (ER) – no acquisition or construction prior to ER completion

Neighborhood Assistance Program

- 50% contribution state tax credit (donor provides $1.00 and receives a tax credit equal to .50 cents)
- $250,000 maximum per project award ($500,000 in donations)
- Non-profit is direct applicant
- May be used for either capital costs or one time start-up costs, or both
- No location restrictions (available anywhere in state)

Eligible Applicants

Required Team:

- Each applicant must assemble a team that includes the non-profit, the local government or governments and the school district or districts where the project will occur.

- Depending on the program, either the non-profit will be the applicant, or the local government will be the applicant on behalf of the non-profit.

- The non-profit may be a local organization providing the direct early childhood education or may contract with another service provider to carry out the early childhood education.

Eligible Activities

- Capital Improvement costs:
  - may include acquisition, new building construction, rehabilitation of existing properties, and related soft costs associated: appraisal; closing costs; engineering and architectural costs; inspections; and permitting. The applicant may own or hold a long term lease.

- Program start-up costs:
  - costs such as equipment related directly to curriculum delivery.

- Both:
  - Applicants may seek either capital improvement funds or programming funds, or both.

Special Program Requirements
Low and Moderate Income (LMI) Benefit

- LMI – defined as 80% of county median household income
- All projects must either:
  - Benefit at least 51% LMI actual participants
  - Benefit a service area that is at least 51% LMI
- Both funding programs carry LMI requirement
- See **"*Determining Low and Moderate Income Benefit for Your Project*"** found on webpage under **Program Documents and Forms**
- Applicants desiring not to benefit LMI may apply for NAP under regular competitive rounds (April/September)

Low and Moderate Income Option

- 51% LMI benefit by participants
  - At least 51% of the children <u>participating</u> must come from LMI families
  - Measured by income survey
  - Survey forms found on webpage under **Program Documents and Forms**

THE CITY/COUNTY OF _____ IS CONDUCTING A SURVEY TO DETERMINE THE NEED FOR THE IMPROVEMENTS IN PUBLIC FACILITIES, HOUSING, AND SERVICES. SOME OF THE IMPROVEMENT PROJECTS MAY BE ELIGIBLE FOR FEDERAL FUNDING. THIS SURVEY IS AN ELIGIBILITY REQUIREMENT FOR SUCH FUNDING. YOUR SURVEY ANSWERS WILL BE KEPT CONFIDENTIAL.

1. PLEASE INDICATE THE NUMBER OF FAMILIES (PERSONS RELATED BY BIRTH, MARRIAGE, OR ADOPTION) LIVING AT THIS ADDRESS (AN UNRELATED INDIVIDUAL IS CONSIDERED A ONE-PERSON FAMILY, WHETHER LIVING ALONE OR WITH ANOTHER FAMILY).

NUMBER OF FAMILIES: _____ | TOTAL NUMBER OF PERSONS: _____

2. HOW MANY IN EACH FAMILY: | #1 | #2 | #3

3. FOR EACH FAMILY INDICATED ABOVE, PLEASE **CHECK** WHETHER YOUR **TOTAL FAMILY INCOME** IS ABOVE, BETWEEN, OR BELOW THE INCOME FIGURES PROVIDED FOR YOUR FAMILY SIZE.

Family Size	Income Limits		
	A (30%)	B (50%)	C (80%)
1	TO	TO	
2	TO	TO	
3	TO	TO	
4	TO	TO	
5	TO	TO	
6	TO	TO	
7	TO	TO	
8	TO	TO	

FAMILY #1

FAMILY SIZE: _____
- ☐ Income Above Column C
- ☐ Income between Column B & C
- ☐ Income between Column A & B
- ☐ Income below Column A

FAMILY #2

FAMILY SIZE: _____
- ☐ Income Above Column C
- ☐ Income between Column B & C
- ☐ Income between Column A & B
- ☐ Income below Column A

4. HOW MANY PERSONS AT THIS ADDRESS ARE:

FEMALE HEADS OF HOUSEHOLD? | CHILDREN AGE SIX YEARS AND UNDER?
OVER THE AGE OF 62? | HANDICAPPED/DISABLED?

5. TO HELP DETERMINE THE POPULATION CHARACTERISTICS OF THE PROJECT AREA, PLEASE INDICATE THE NUMBER OF PERSONS AT THIS ADDRESS THAT ARE:

HISPANIC OR LATINO:

NOT HISPANIC OR LATINO:

6. TO FURTHER HELP DETERMINE THE POPULATION CHARACTERISTICS OF THE PROJECT AREA, PLEASE INDICATE THE NUMBER OF PERSONS AT THIS ADDRESS THAT ARE:

WHITE: | ASIAN & WHITE:
BLACK/AFRICAN AMERICAN: | BLACK/AFRICAN AMERICAN & WHITE:

Low and Moderate Income Option

- Benefit a service area that is at least 51% LMI
  - Facility is located inside defined service area
  - Service area may match a defined jurisdiction or census tract or block group(s)
    - LMI measured by HUD census information (contact Andy Papen for this information)
  - Service area may match specific street or neighborhood boundaries
    - LMI measured by survey

LMI Thresholds by County

- Found on webpage under **Program Documents and Forms**

- **LMI is "Low Income"**

- For other census data contact Andy Papen

andy.papen@ded.mo.gov

Special Program Requirements
Early Learning Program Guidance

- See Department of Elementary and Secondary Education (DESE) website for full details on the Missouri Pre-School Project: http://dese.mo.gov/early-extended-learning/early-learning/missouri-preschool-program

- See Department of Health and Senior Services website for licensing requirements: http://health.mo.gov/safety/childcare/

- See DESE website for Early Learning Program Guidance: http://dese.mo.gov/sites/default/files/eel-el-2014-EarlyLearningProgramGuidance.pdf

- DED staff is not the expert on early learning, DESE Program, or DHSS licensing requirements.

- The goal for DED is to help create facilities that would otherwise be eligible for DESE funding.

Special Program Requirements
Early Learning Program Guidance

- The Standards include:
  - 3-year community needs assessments performed and reviewed annually
  - Specific education qualifications for Staff and Teachers and Teacher Assistants
  - Participation in professional development
  - Annual staff evaluations
  - Research based curriculum approved by DESE.

Special Program Requirements
Early Learning Program Standards

- Developmentally appropriate program experiences which are individualized based on the child's needs in a responsive, safe, enriching environment with continuity of care and learning interactions

- Up-to-date health policies, promotion of health, and prevention from harm:
  - Indoor space of 50 sq ft of usable floor space per child and outdoor space of 100 sq ft of usable space per child
  - Current fire and sanitation inspections

Special Program Requirements
Early Learning Program Standards

- Child/Adult Ratios:

Infants to 24 months:
- 3/1; with no more than six children in one room (preferred)
- 4/1; with no more than eight children in one room (acceptable)

24 months to 36 months:
- 4/1; with no more than eight children in one room (preferred)
- 6/1; with no more than 12 children in one room (acceptable)

Age 3 to kindergarten entry:
- 7/1; with no more than 21 children in one room (preferred)
- 10/1; with no more than 20 children in one room (acceptable)

Mixed age group (birth - kindergarten entry)
- 6/1; with no more than two under age two (preferred)
- 8/1; with no more than two under age two (acceptable)

Special Program Requirements
Early Learning Program Standards

- – Annual program evaluations
- – Partnerships and collaborations with stakeholders from the community to provide the work force and development of programs and services.

DED as an Investor

- How do we measure our Return on Investment?
  - Sustainability
    - Plans for long term, high quality operation of the facility is key to prove to the "investor" (DED)
    - Demonstrate how use of one-time capital funds and one-time start up funds will be turned into a successful operation
    - Business plan
    - Budget
    - Revenue sources
    - Annual overhead and cost of operation

Application Format

- Provide two hard copies, one with original signatures, **and** one electronic copy (email or CD) of the complete Application;
- Presented in 12-point font, single spaced, with attachments;
- Due in the offices of DED no later than 5:00 p.m. June 15, 2015; NO POSTMARKS!
- Missouri Department of Economic Development
  "Start Smart Initiative"
  301 West High Street, Suite 770
  P.O. Box 118
  Jefferson City, MO 65102
  keisha.gray@ded.mo.gov

Application Content

- General Applicant Information
- Organizational Capacity of Non-Profit applicant
- Description of Need
- Low to Moderate Income Compliance
- Standards of Early Childhood Facility
- Facility Project Information
- Facility Cost Information
- One Time/Start-Up Cost Information (NAP)
- Annual Operating Budget
- Outcomes
- Fund Raising Plan (NAP)

General Applicant Information

- Name, address, and phone number of the assembled team:
  - Local Government
  - Non-Profit
  - School District(s)
- Name, phone number and email address of the application preparer/contact;

Organizational Capacity of Non-Profit Applicant

- A description of the non-profit organization, including its mission and history;

- A description of the non-profit's experience with early childhood education:
  - Does the non-profit currently operate a facility?
  - If so, include size, location, etc.

- An organizational chart depicting the non-profit organization's current staff and duties;

Description of Need

- Number of children to be served;
- Number of children currently serving, if applicable;
- Age groups proposed to serve;
- Proposed service area;
- Census data providing number of early childhood age children in service area;

Description of Need

- Currently existing early childhood facilities in the service area and number of children served;

- What is market demand for your services?

- Waiting list at other facilities?

- How are your services different from other existing facilities?

LMI Income Compliance

- A statement regarding which means of meeting the low and moderate income benefit is used:
  - 100% participants
  - 51% area benefit

Standards of the Early Childhood Facility

- Will the minimum educational and experience requirements for proposed staffing meet or exceed standards:
  - Supervisor/Administrator: Baccalaureate degree
  - Teacher: Baccalaureate degree with certification in early learning
  - Paraprofessional/Teaching Assistant: Child development associate credentials or associate of arts degree in early learning

Standards of the Early Childhood Facility

- Will staffing be provided by the non-profit or the school?
  - If school: Provide information about the school's experience in providing early learning, organizational chart of the school's staff and duties, description of curriculum, and how facility meets the minimum space standards.
  - If non-profit: Provide description of curriculum, and how facility meets the minimum space standards.

Facility Project Information

- A description of any planned construction activities, and whether such activities are for construction of new facility or an expansion or rehabilitation of an existing facility;
- Copies of preliminary architectural drawings or a description of the facility and cost estimates for construction/rehabilitation;
- A statement describing site control (ownership, option, lease);
- The amount of funding requested for capital improvements;
- A statement identifying the specific use of state funds related to capital improvements;
- Provide a project timeline.

Facility Cost Information

- A detailed sources and uses document identifying other funds committed or proposed to be obtained.
    - A/E Costs
    - Hard costs
    - Soft costs (i.e. professional fees, financing costs, project administration fees)
    - Funding requested from Start Smart for each of the categories
    - Other funds for the project (source and amount)
    - Are the other funds committed?

One Time/Start-up Information

- NAP applicants only
- Description and amount of funding requested for one-time start-up costs, if applicable;
- A statement identifying the specific use of requested Start Smart funds related to start-up costs;
- A detailed sources and uses document identifying other funds committed or proposed to be obtained.

Annual Operating Budget

- Provide total annual operating budget;
- Annual revenue projected in first 5 years;
- Annual expenditures projected in first 5 years (including all operating costs)
- Will there be any debt as result of project? If so, include that in the operating budget.

Outcomes

- A statement describing the measurable outcomes for participants in terms of school readiness or other measure of educational attainment;

- A statement describing how participant outcomes will be measured, including the length of time participants will be tracked.

Fundraising Plan

- NAP only
- Provide fundraising plan, including activities, events, and marketing.
- Identify the individual(s) that will oversee fundraising.
- Identify to whom the agency will market the credits.
- Timeline for activities, events and major fundraising milestones.

Attachments

- Attachments are required for several of the questions.
- Checklist is provided for convenience.
- Letters of Support
  - One from your State Representative and one from your State Senator.
- Local Government Certification (NAP)
- Site Control
  - NAP requires proof that the non-profit owns (or has a long-term lease) or has a contingency contract to purchase property.
  - CDBG requires that no acquisition occurs until ER is completed, if acquisition is part of the project.

Evaluation Criteria

- Team Review (DED and DESE)
  - **Need** – defined as the availability and capacity of early childhood educational opportunities in the proposed service area;
  - **Impact** – defined as the extent to which the proposal will address the documented population of children in the proposed service area without access to quality early childhood education opportunities;
  - **Efficiency of Plan** – defined as the cost per square foot and the cost per beneficiary;

Evaluation Criteria

- **Capacity**– defined as the non-profit applicant's history and experience in early childhood education and its relationship with the local school district;
- **Sustainability** – defined as the strength of the plan for ongoing operation beyond the term of the funding requested;
- **Quality** – defined as a subjective analysis of the curriculum and educational instruction proposed, as evaluated by professionals with expertise in early childhood education;
- **Outcomes** – defined as the degree of which measures are proposed to effectively and objectively measure project outcomes;
- **Beneficiaries** – defined as the cost per beneficiary.

Timeline

- Applications due in the offices of DED no later than 5:00 p.m. June 15, 2015

  Missouri Department of Economic Development
  "Early Childhood Education Initiative"
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  P.O. Box 118
  Jefferson City, MO 65102
  keisha.gray@ded.mo.gov

Questions?

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